FIFTH DAY

(Continued) (Tuesday, May 22, 1990)

AFTER RECESS

The Senate met at 10:00 a.m. and was called to order by Senator Brooks.

AT EASE

Senator Brooks at 10:10 a.m. announced the Senate would stand At Ease Subject to the Call of the Chair.

IN LEGISLATIVE SESSION

Senator Brooks at 10:27 a.m. called the Senate to order as In Legislative Session.

MESSAGE FROM THE HOUSE

House Chamber May 22, 1990

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.C.R. 24, Commending TEES and the Texas A&M University System.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

AT EASE

Senator Brooks at 10:28 a.m. announced the Senate would stand At Ease Subject to the Call of the Chair.

IN LEGISLATIVE SESSION

Senator Brooks at 11:15 a.m. called the Senate to order as In Legislative Session.

CAPITOL PHYSICIAN

Senator Barrientos was recognized and presented Dr. Mathis Blackstock of Austin as the "Doctor for the Day."

The Senate welcomed Dr. Blackstock and thanked him for his participation in the "Capitol Physician" program sponsored by the Texas Academy of Family Physicians.

REPORTS OF STANDING COMMITTEES

By unanimous consent, Senator Sims submitted the following report for the Committee on Administration:

S.C.R. 10

By unanimous consent, Senator Glasgow submitted the following report for the Committee on Jurisprudence:

H.C.R. 8

By unanimous consent, Senator Edwards submitted the following report for the Committee on Nominations:

We, your Committee on Nominations, to which were referred the attached appointments, have had same under consideration, and report them back to the Senate for final consideration.

To be Members of the RADIATION ADVISORY BOARD: Thomas M. Burnette, Collin County; Dr. Joseph Miller Kenworthy, Coryell County; James C. Martin, Dallas County.

SESSION TO CONSIDER EXECUTIVE APPOINTMENTS

On motion of Senator Edwards and by unanimous consent, Senate Rule 14.02 was suspended in order to consider for confirmation those nominees reported today by the Committee on Nominations.

Senator Edwards moved confirmation of the nominees reported today by the Committee on Nominations.

The Presiding Officer asked if there were requests to sever.

There were no requests to sever.

NOMINEES CONFIRMED

The following nominees, reported today by the Committee on Nominations, were confirmed by the following vote: Yeas 31, Nays 0.

Members, Radiation Advisory Board: THOMAS M. BURNETTE, Collin County; DR. JOSEPH MILLER KENWORTHY, Coryell County; JAMES C. MARTIN, Dallas County.

CO-AUTHORS OF SENATE CONCURRENT RESOLUTION 10

On motion of Senator Parker and by unanimous consent, Senators Brooks and Haley will be shown as Co-authors of S.C.R. 10.

SENATE CONCURRENT RESOLUTION 10 ON SECOND READING

On motion of Senator Parker and by unanimous consent, the regular order of business and Senate Rule 7.13 were suspended to take up for consideration at this time on its second reading:

S.C.R. 10, Establishing a task force to study all aspects of and issues relating to the Trinity River Authority.

The resolution was read second time and was adopted viva voce vote.

(President in Chair)

RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate the following enrolled resolutions:

H.C.R. 5 H.C.R. 16 H.C.R. 6 H.C.R. 17 H.C.R. 11 H.C.R. 15 H.C.R. 20

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H.C.R. 21

HOUSE CONCURRENT RESOLUTION 8 ON SECOND READING

On motion of Senator Brooks and by unanimous consent, the regular order of business and Senate Rule 7.13 were suspended to take up for consideration at this time on its second reading:

H.C.R. 8, Granting the City of Pasadena permission to sue the State of Texas and the General Land Office.

The resolution was read second time and was adopted viva voce vote.

HOUSE CONCURRENT RESOLUTION 2 ON SECOND READING

On motion of Senator Sims and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading:

H.C.R. 2, Requesting Congress to retain the production incentive program of the National Wool Act.

The resolution was read second time and was adopted viva voce vote.

MESSAGE FROM THE GOVERNOR

The following Message from the Governor was read and was filed with the Secretary of the Senate.

Pursuant to Article IV, Section 14 of the Texas Constitution, I, William P. Clements, Jr., Governor of Texas, do hereby veto S.B. 1 because of the following objections:

In a fundamental sense S.B. 1 is a tax bill, not an education bill. S.B. 1 would result in unacceptably high increases in local property taxes and massive budget deficits that could be paid for only through the imposition of a state income tax. This bill contains provisions that attempt to unconstitutionally bind future legislatures to expenditure levels that would require these tax increases. Even worse, this bill would result in these new and increased taxes while at the same time failing to fix our broken public education finance system.

It is the finance system itself which is at the heart of the Texas Supreme Court holding that our education system violates the Constitution. The current system is not fair, and it is not equitable. Yet, S.B. I would basically continue the current system of subsidizing wealthier school districts at the expense of property-poor school districts. And, the cost of S.B. I would be largely paid for by requiring more than 800 of the state's 1052 school districts to raise local property taxes to maximize state assistance. Only through massive tax increases can the current inequitable system be maintained and still provide the state assistance that property-poor school districts desperately need. This bill places an unfair burden on local property taxpayers to support an inequitable system. My veto of this bill will help reduce future property tax increases.

I strongly support the state's role in supplementing local education dollars and ensuring that no child is denied access to a basic quality education. I think that it is good and appropriate that nearly 50% of the

state's entire budget has historically been spent for public education. But, it is simply not right to continue the current system of using complicated funding formulas to subsidize some school districts with state tax dollars thereby permitting these districts to have property taxes well below the state average. S.B. 1 would make our already complex funding scheme even more complex and it would fail to correct the inequities caused by the current system. I have publicly supported two different plans that would fix the inequities — the Task Force plan and the Uher/Schoolcraft plan. Uher/Schoolcraft has the added advantage of greatly simplifying an unnecessarily complex funding system. Unfortunately, while the legislature has come close, it has been unable to agree on adopting either of these plans.

In fairness to the legislature, many of the reforms that I support have been addressed in S.B. 1. And, in the attempt to build a consensus between myself, the House and the Senate, I have compromised on several issues that I consider important but not critical to the fundamental fix that is needed. As I have said before, I will not sign an education bill that does not contain reforms to deregulate our public schools from burdensome state regulations, provide for greater local control through accountability to parents and taxpayers, and give schools incentives for improving performance. I want to point out, therefore, in addition to my primary objections, that the bill fails to reform the state governance structure for managing public education and it fails to grant sufficient relief to schools from state regulations.

The Texas Supreme Court specifically stated in its decision that it was not ordering any new or increased taxes. The court based its decision on the <u>inefficiency</u> of our public education finance system. I think that many Texans would reluctantly agree to pay new or increased taxes if they were convinced that it was necessary to pay for public education. But I am sure that few Texans would agree to pay additional taxes that were made necessary by the continuation of an inequitable and unfair finance system. I am also sure that Texans would not agree to pay additional taxes when significant revenues are readily available within our state's current \$49 billion budget to address immediate funding needs.

The line must be drawn on behalf of taxpayers and in favor of real education finance reform. Local control must not be pushed aside for state bureaucratic control. The legislature must find the political will and courage to fix our education system instead of imposing new taxes on everyone to pay for the old, broken system. I am vetoing S.B. 1 because it will hit taxpayers in three different ways: (1) the imposition of a state income tax in the near future; (2) spiraling local property tax increases; and (3) an increase in the state sales tax which I have already vetoed, and will veto again if it is sent to me.

I want to commend the approximately seventy members of the legislature who share my views on the importance of fixing the finance system and reforming our state education laws. I will continue to stand with them in this fight. Sufficient time remains for their colleagues in the legislature to join with them to address this critical issue without the court's intervention. I remain optimistic that the legislature will do what is right for all Texas and especially for our children.

The Secretary of State shall take notice of this action and notify the legislature.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the seal of the State to be affixed hereto at Austin, this 22nd day of May, 1990.

/s/W. P. Clements, Jr. William P. Clements, Jr. Governor of Texas

/s/George S. Bayoud, Jr. George S. Bayoud, Jr. Secretary of State

MOTION TO PASS SENATE BILL 1 OVER GOVERNOR'S VETO

Senator Parker moved that S.B. 1, vetoed by the Governor, be now reconsidered and passed by the Senate notwithstanding the objections of the Governor thereto and his disapproval thereof.

On motion of Senator Parker and by unanimous consent, the motion was withdrawn.

MEMORIAL RESOLUTIONS

- S.R. 80 By McFarland: In memory of C. R. Smith.
- S.R. 85 By Lyon: In memory of Lillie Ann Gallaway of Canton.

CONGRATULATORY RESOLUTIONS

- H.C.R. 14 (Lyon): Commending Alvin V. Anderson on his exceptional career in education and extending to him best wishes for a happy and rewarding retirement.
- H.C.R. 22 (Barrientos): Inviting David Letterman to be our honored guest in Austin on the Paramount Theatre's 75th anniversary.
- H.C.R. 24 (Lyon, Caperton, Leedom): Commending the Texas Engineering Experiment Station and The Texas A&M University System for instituting this unique technology-based institute to combat the drug menace.
- S.C.R. 11 By Carriker: Extending congratulations to Dan Sloan, Coach of the Mogulettes, and Jim Edwards, Coach of the Moguls, and the members of the two Munday High School track teams for winning both boys' and girls' team Class A 1990 UIL State Track and Field Meet championships.
- S.C.R. 12 By Leedom: Extending congratulations to Lillian Soutter Davis of Dallas on her 100th birthday.
- S.R. 81 By Tejeda: Commending Dr. John Earl Seelig for his life of service and dedication and extending best wishes for a rich and rewarding retirement.
- S.R. 82 By Brown: Commending James C. Caperton for his dedicated efforts in the field of education.
- S.R. 83 By Ellis: Commending Kristala Jones on her superior academic achievements and on the well-deserved honor that has been bestowed on her as the valedictorian for the Longview High School graduating class of 1990.
- S.R. 84 By Ellis: Honoring Mary Rawlings Graham, the "First Grandmother of Texas Southern University," and extending warmest wishes for her 100th birthday.

RECESS

On motion of Senator Brooks, the Senate at 12:56 p.m. took recess until 2:00 p.m. tomorrow.

APPENDIX

Vetoed by Governor (May 22, 1990)

S.B. 1

Signed by Governor (May 22, 1990)

S.C.R. 4

FIFTH DAY

(Continued) (Wednesday, May 23, 1990)

AFTER RECESS

The Senate met at 2:00 p.m. and was called to order by the President.

MESSAGE FROM THE HOUSE

House Chamber May 23, 1990

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.C.R. 25, Congratulating Jerry and Shirley Lawrence.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

RESOLUTION SIGNED

The President announced the signing in the presence of the Senate the following enrolled resolution:

H.C.R. 23

SENATE BILL ON FIRST READING

The following bill was introduced, read first time and referred to the Committee indicated:

S.B. 77 by Brooks Relating to anatomical gifts. Health and Human Services